FORM MR-AR (Revised 3/98)

## STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING 1594 West North Temple – Suite 1210

Box 145801

Salt Lake City, Utah 84114-5291 Telephone: (801) 538-5291 Fax: (801) 359-3940

## ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

Gen	eral information
1.	Report Time Periods: From (mo./yr.) Jan. 2005 To (mo./yr.) Dec. 2005
2.	DOGM File Number (Mine No.) M_ /_047/_013
3.	Mine Name: Ziegler Gilsonite & Cowboy Bandana
4.	Mineral(s) Mined (or permitted to mine): Gilsonite
5.	Type of Mine: □ Surface Mine or X <u>Underground Mine</u>
6.	Legal Description (Location of Lands Affected):
	S       1/2, NE       1/4, Section       16       Township       9S       Range       24E         SE       1/4, 1/4, 1/4, Section       16       Township       9S       Range       24E         1/4, 1/4, 1/4, 1/4, Section       Township       Range       Range
	SE 1/4, 1/4, Section 16 , Township 9S , Range 24E
7.	Name of Operator or Company: Ziegler Chemical & Mineral Corp.
8.	Permanent Street Address: 366 N. Broadway, Suite 210
	City, State, Zip: Jericho, New York 11753-2000
	Phone: (516) 681-9600 Fax: (516) 681-9604
9.	Company Representative (or designated operator):
	Name: Stan Wagner
	Title: Mine Superintendent
	Business Address: Star Route
	City, State, Zip: Vernal, Utah, 84078
	Phone: (435) 789-3593 Fax: (435) 789-3593
	□ Please check if any of the above information has changed since previous year.
<u>Min</u>	ing and Reclamation
1.	Was there any mine related activity during the past year? Yes X No □
2.	If no, what was the last year of activity?
3.	If yes, how much ore or mineral was mined: 2016 tons.
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- 4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year. None
- 5. How much additional acreage was disturbed during the past year? None
- 6. How much acreage was reclaimed during the past year. None
- 7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
- 8. What is the total disturbed acreage of entire project at years end? 13 acres.
- 9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Z.C.M.C. will continue mining in the year 2005.

**NOTE**: Section III., "Additional Information" applies only to large mining operations.

## III. Additional Information

- 1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
- 2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

## IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Printed):

Title of Operator:

Signature of Operator:

Date:

Stan Wagner

Mine Superintendent

January 12, 2006

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